

TEACHERS' FUND FOR RETIREMENT
PERFORMANCE REPORT FOR SEPTEMBER 2001

11/8/2001

	Assets as of September 30, 2001			*RATES OF TOTAL RETURN					
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	YR Ended 6/30/2001
				Sep-01	Jun-01	Mar-01	Dec-00		
LARGE CAP EQUITY									
Structured Growth									
Alliance Capital Management	21,535	1.9%	2.3%	-20.69%	10.03%	-20.32%	-16.57%	-20.69%	-28.08%
RUSSELL 1000 GROWTH				-19.41%	8.42%	-20.90%	-21.35%	-19.41%	-36.18%
Structured Value									
LSV	28,045	2.5%	2.3%	-8.79%	8.10%	-0.19%	7.21%	-8.79%	28.93%
RUSSELL 1000 VALUE				-10.95%	4.88%	-5.86%	3.60%	-10.95%	3.84%
Enhanced S&P Index (1)									
Northern Trust Global Investments	45,697	4.0%	4.5%	-14.35%	5.69%	-11.46%	-8.41%	-14.35%	N/A
Strong Capital	44,738	3.9%	4.5%	-15.98%	3.71%	-9.66%	-7.84%	-15.98%	N/A
Westridge Capital	53,187	4.7%	4.5%	-14.60%	5.60%	-10.86%	-7.16%	-14.60%	N/A
Total Enhanced S&P Index	143,622	12.6%	13.5%	-14.96%	5.02%	-11.43%	-7.79%	-14.96%	N/A
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	N/A
Enhanced Russell 1000 Index (1)									
Wilshire	45,497	4.0%	4.5%	-15.41%	6.52%	-12.21%	-7.99%	-15.41%	N/A
RUSSELL 1000				-15.23%	6.31%	-12.57%	-9.15%	-15.23%	N/A
S&P 500 Index									
State Street - S&P 500 Index	80,062	7.0%	7.5%	-14.68%	5.85%	-11.86%	-7.79%	-14.68%	-14.75%
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	-14.83%
TOTAL LARGE CAP EQUITY	318,761	28.0%	30.0%	-14.80%	6.06%	-11.10%	-7.37%	-14.80%	-11.52%
S&P 500				-14.68%	5.85%	-11.86%	-7.82%	-14.68%	-14.83%
SMALL CAP EQUITY (2)									
SEI	117,227	10.3%	10.0%	-20.04%	N/A	N/A	N/A	-20.04%	N/A
RUSSELL 2000 + 200 bp				-20.29%	14.79%	N/A	N/A	-20.29%	N/A
TOTAL SMALL CAP EQUITY	117,227	10.3%	10.0%	-20.02%	-5.80%	-6.44%	-8.28%	-20.02%	1.69%
RUSSELL 2000				-20.79%	14.29%	-6.51%	-6.91%	-20.79%	0.57%
INTERNATIONAL EQUITY									
Intl Core									
State Street	108,177	9.5%	10.0%	-15.06%	0.60%	-10.23%	-3.17%	-15.06%	-17.93%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
Intl Active									
Capital Guardian	105,090	9.2%	10.0%	-17.26%	0.85%	-9.61%	-6.11%	-17.26%	-20.14%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
TOTAL INTERNATIONAL EQUITY	213,267	18.7%	20.0%	-16.14%	0.72%	-9.66%	-4.64%	-16.14%	-18.81%
MSCI 50% HEDGED EAFE INDEX				-16.41%	0.15%	-10.44%	-3.47%	-16.41%	-17.95%
EMERGING MARKETS									
Value - Active - Commingled									
Capital Guardian	46,092	4.1%	5.0%	-24.96%	6.98%	-7.44%	-16.15%	-24.96%	-29.31%
MSCI EMERGING MKTS FREE INDEX				-21.60%	3.90%	-5.46%	-13.32%	-21.60%	-25.93%
DOMESTIC FIXED INCOME									
Core Bond									
Western Asset	16,267	1.4%	1.1%	4.75%	1.37%	3.64%	4.08%	4.75%	13.40%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
Active Duration									
Criterion	16,009	1.4%	1.1%	3.28%	0.67%	2.67%	5.23%	3.28%	12.34%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
Index									
Bank of North Dakota	16,826	1.5%		5.01%	0.04%	3.29%	4.60%	5.01%	11.04%
BND (Match Loan Program)	11,217	1.0%		1.43%	1.45%	1.43%	1.44%	1.43%	5.89%
Total Bank of North Dakota	28,043	2.5%	1.8%	4.19%	0.37%	2.83%	3.86%	4.19%	9.79%
LB GOV/CORP				4.76%	0.30%	3.20%	4.37%	4.76%	11.13%

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Core									
Strong Capital	16,567	1.5%	1.1%	4.04%	1.17%	4.74%	3.42%	4.04%	13.45%
LB BAA BOND INDEX				3.59%	0.79%	0.59%	1.53%	3.59%	6.00%
Convertibles									
TCW	13,044	1.1%	1.1%	-16.04%	4.87%	-9.69%	-13.21%	-16.04%	-13.58%
1ST BOSTON CONVERTIBLE INDEX				-11.01%	4.12%	-6.24%	-12.31%	-11.01%	-11.87%
Timberland									
Wachovia	89	0.0%	0.7%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL DOM FIXED INCOME	90,020	7.9%	7.0%	0.42%	1.55%	1.02%	0.61%	0.42%	6.87%
LB AGGREGATE				4.61%	0.56%	3.03%	4.21%	4.61%	11.22%
HIGH YIELD BONDS									
Western Asset	85,122	7.5%	7.0%	-4.41%	-1.75%	3.88%	-5.57%	-4.41%	-4.46%
LB HIGH YIELD BOND INDEX				-4.23%	-2.29%	6.36%	-5.24%	-4.23%	-0.96%
INTERNATIONAL FIXED INCOME									
Intl Core									
Brinson	70,540	6.2%	5.0%	7.80%	-2.51%	-5.37%	5.73%	7.80%	-7.58%
SALOMON NON-US GOV'T BOND				7.75%	-1.97%	-4.90%	4.00%	7.75%	-7.43%
REAL ESTATE (3)									
JMB	1,142	0.1%		2.13%	1.19%	0.18%	-1.38%	2.13%	1.92%
TCW	5	0.0%		-4.64%	-8.63%	8.33%	24.23%	-4.64%	25.25%
INVESCO	76,087	6.7%		10.90%	2.09%	8.35%	1.22%	10.90%	13.52%
J.P. Morgan	43,560	3.8%		1.47%	2.41%	1.91%	3.24%	1.47%	10.27%
TOTAL REAL ESTATE	120,794	10.6%	9.0%	6.76%	2.22%	5.20%	2.17%	6.76%	11.92%
NCREIF PROPERTY INDEX				1.75%	2.26%	2.28%	3.23%	1.75%	11.15%
PRIVATE EQUITY (3)									
Brinson IVCF III	1,097	0.1%		-14.67%	-27.35%	10.88%	9.87%	-14.67%	-17.89%
Coral Partners V	17,474	1.5%		-34.09%	-1.35%	-1.54%	23.35%	-34.09%	19.29%
Coral Partners Supplemental V	616	0.1%		N/A	N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	3,173	0.3%		-3.49%	-11.40%	-7.87%	7.46%	-3.49%	-3.63%
Brinson 1999 Partnership Fund	4,064	0.4%		-1.32%	-7.40%	-5.26%	4.53%	-1.32%	-4.36%
Brinson 2000 Partnership Fund	5,024	0.4%		-0.50%	-2.89%	-1.42%	6.03%	-0.50%	2.74%
Brinson 2001 Partnership Fund	667	0.1%		-0.12%	1.13%	0.02%	N/A	-0.12%	N/A
Brinson 1999 Non-US Partnership Fund	1,301	0.1%		-1.98%	-3.16%	2.55%	-2.64%	-1.98%	2.24%
Brinson 2000 Non-US Partnership Fund	857	0.1%		-1.98%	-3.50%	-0.37%	-2.36%	-1.98%	-7.03%
Brinson 2001 Non-US Partnership Fund	413	0.0%		0.66%	0.66%	N/A	N/A	0.66%	N/A
Brinson BVCF IV	7,694	0.7%		-11.21%	-3.31%	-3.49%	-5.23%	-11.21%	-11.46%
Hearthstone	3,675	0.3%		2.94%	8.16%	0.00%	0.01%	2.94%	8.17%
TOTAL PRIVATE EQUITY	46,055	4.0%	5.0%	-15.99%	-4.17%	-1.37%	11.69%	-15.99%	5.92%
POST VENTURE CAPITAL INDEX				-35.63%	23.87%	-31.48%	-38.61%	-35.63%	-48.23%
CASH EQUIVALENTS									
TNT Short Term Extendable Portfolio	29,812	2.6%	2.0%	1.03%	1.34%	1.27%	1.70%	1.03%	5.91%
90 DAY T-BILLS				1.08%	1.12%	1.51%	1.63%	1.08%	5.90%
TOTAL FUND	1,137,691	100.0%	100.0%	-10.52%	3.92%	-5.72%	-4.37%	-10.52%	-7.31%
POLICY TARGET BENCHMARK				-12.03%	4.61%	-7.50%	-5.88%	-12.03%	-10.37%
TOTAL VALUE ADDED DUE TO									
Asset Mix				2.29%	0.02%	0.50%	0.38%	2.29%	1.30%
Active Management				-0.56%	-0.68%	1.41%	1.22%	-0.56%	2.08%
Total Value Added				1.73%	-0.66%	1.91%	1.60%	1.73%	3.38%

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

***NOTE:**

Monthly returns and market values are preliminary and subject to change.
Returns are net of investment management fees.